Execution Copy
July 25, 2006

BILL AND HOLD AGREEMENT

AGREEMENT signed this 25 day of July, 2006 (the "**Effective Date**").

BETWEEN:

MITEC TELECOM INC., a corporation incorporated under the laws of Canada, having its head office at 9000 Trans-Canada Highway, Pointe-Claire, Québec, H9R 5Z8, Canada;

("**Mitec**")

AND:

BIP CORPORATION, a corporation incorporated under the laws of •, having its head office at 1650 Linda Vista Drive, San Marcos, California, 92069, USA;

("**BIP**")

WHEREAS certain designated inventory shall be purchased by BIP from Mitec and physically stored in a segregated warehouse at Mitec's Pointe-Claire facility (the "**Facility**") at BIP's request; and

WHEREAS only BIP's employees, agents, representatives and third-party contractors shall be allowed to handle the inventory; and

WHEREAS all system stock transactions related to the inventory shall be carried out by BIP.

NOW, THERFORE, IN CONSIDERATION of the mutual covenants and agreements herein contained, and of other good and valuable consideration, the parties agree to the following:

1. INVENTORY

1.1 The inventory including, but not limited to VSATs, block up converters, solid-state power amplifier systems and waveguide components and systems (the "**Inventory**" or "**Products**") shall be physically segregated by Mitec from the other Inventory at the Facility.

1.2 BIP shall be ultimately responsible for tracking all segregated Inventory and for shipping such Inventory after the purchase of such Inventory from Mitec, provided that, in some limited circumstances, Mitec shall be empowered to act as BIP's agent for the purposes of facilitating the shipment of any Inventory, the whole pursuant to the instructions of a power of attorney given to Mitec by BIP, which power of attorney shall be substantially in the form of that attached hereto as Schedule "A" and forming a part hereof. Purchase of the Inventory shall be made by written purchase order and shall be stored in a segregated warehouse at the Facility until such time as BIP authorizes the release of any portion of the purchased Inventory.

EXHIBIT "A"

1.3 All charges are due within sixty (60) days of receipt provided that a correct invoice is sent to BIP's headquarters as identified in section 8.6 and provided that such invoice shall include language indicating that the sale of the Inventory is subject to the terms and conditions of this Bill and Hold Agreement.

2. DELIVERY, RISK OF LOSS AND TITLE

2.1 Delivery shall be made EXW (Ex works, Incoterms 2000) at the segregated warehouse at the Facility, at which time, risk of loss and title shall pass to BIP. All subsequent freight, insurance and other shipping expenses shall be paid by BIP.

3. ANNUAL INVENTORY COUNTS

3.1 Once a year, BIP, at its own expense, shall organize an Accountable Property Inventory ("API"). All materials recorded in BIP 's books shall be physically counted and aligned with the system and books view.

3.2 The API shall be conducted by Mitec upon BIP's request. BIP's demand for an API should be sent to Mitec at least one (1) month prior to the requested date of the API.

3.3 Mitec shall organize, once a year, a blind cycle count and provide feedback to BIP along with the results of such cycle count. Any discrepancies shall be analyzed, explained and solved by both parties within a maximum of two (2) working weeks.

4. QUALITY CONCERNS

4.1 Quality concerns, which were unknown at the time of delivery and segregation, may arise from time to time in the consign part numbers. If this is the case, Mitec is considered to be responsible for the quality defect. As a result, Mitec shall organize, on behalf of BIP, the retrofit or exchange of defective parts.

4.2 If the Inventory becomes defective on account of its age, then such Inventory shall be exempt and shall not form part of Mitec's responsibility.

4.3 Mitec extends its standard 24 month warranty for VSAT products and standard 12 month warranty for other products by an additional 3 months for new products purchased by BIP and held in Mitec's warehouse Facility for a minimum of 2 months from the date of original invoice.

5. INSURANCE

5.1 Upon delivery and segregation, natural risk of ownership shall be wholly incurred by BIP. BIP agrees to maintain appropriate insurance to cover risks of fire, theft, explosion, lightning, storms, water damage, electrical damage and other special risks for its own material that shall be stored at Mitec's facility.

6. TERM

6.1 This Agreement shall be deemed to have come into force upon the effective date of the Agreement and shall continue in effect for twelve (12) months unless terminated earlier in accordance with the provisions of this Agreement. The parties hereto may, however, extend the term of the Agreement for additional periods as desired under mutually agreeable terms and conditions which the parties shall reduce to writing and jointly sign.

7. TERMINATION

7.1 **Termination of Agreement.** This Agreement may be terminated by either party for any reason by giving 30 days' prior written notice to the other party. The parties agree that such notice period is reasonable and will provide each party with a sufficient and adequate period of time to ensure that the obligations under this Agreement are fulfilled prior to its termination. In the event of termination in accordance with this section, BIP shall arrange for the clearing of all remaining purchased Inventory from the segregated warehouse at the Facility within 30 days of receipt of the notice set forth in this section ~~7.1, failing which Mitec shall charge and BIP will pay $1000 CDN per additional day~~ that the Inventory has not been cleared.

8. GENERAL

8.1 **Division of Agreement.** The division of this Agreement into articles and sections and the insertion of headings are for the convenience of reference only and shall not affect the construction or interpretation of this Agreement.

8.2 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties hereto with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory between the parties other than as expressly set forth in this Agreement.

8.3 **Amendments.** No amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by both of the parties hereto and attached hereto as an Addendum. No waiver of any breach of any provision of this Agreement shall be effective or binding unless made in writing and signed by the party purporting to give the same and unless otherwise provided in the written waiver, shall be limited to the specific breach waived.

8.4 **Severability.** If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect.

8.5 **Further Acts.** The parties shall do all such further acts and things and provide all such assurances and deliver all such documents in writing as may be required, from time to time, in order to fully carry out the terms, provisions and intent of this Agreement.

8.6 **Notice.** Any demand, notice or other communication to be given in connection with this Agreement shall be given in writing, by personal delivery, registered mail or by telecopier, and addressed to the recipient as follows:

(a) Mitec Telecom Inc.
9000 Trans-Canada Highway,
Pointe-Claire (QC) H9R 5Z8
Canada

Attention: Chief Executive Officer

Telecopier No.: 514 694 3933

With a copy to:
Fraser Milner Casgrain LLP
1 Place Ville-Marie
39th Floor
Montreal (Quebec) H3B 4M7

Attention: Adrien Bélanger

Telecopier No.: 514 866 2241

(b) BIP Corporation
1650 Linda Vista Drive
San Marcos, CA 92069
USA

Attention: President and CEO

Telecopier: 866 510 6562

Each notice sent in accordance with this Section shall be deemed to have been received:

(a) at the time on the day it was delivered;

(b) at the beginning of business on the third business day after it was mailed (excluding each business day during which there existed any general interruption of postal services due to strike, lockout or other cause); or

(c) one hour after they were sent on the same day that it was sent by Electronic Transmission, or at the start of business on the first business day thereafter if the day on which it was sent by electronic transmission was not a business day.

The Employee or the Company may change the address for notice by giving notice to each other as provided for in this Section.

8.7 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Québec and the federal laws of Canada therein applicable. Each party irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Québec in the judicial district of Montreal with respect to any matter arising hereunder or related hereto.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

MITEC TELECOM INC.

Per: ______________________
Stefano Bazzocchi
Vice-President, Finance and CFO

BIP CORPORATION

Per: ______________________
Al Hatset
President and CEO

SCHEDULE "A"

FORM OF POWER OF ATTORNEY

The undersigned, BIP Corporation ("**BIP**"), hereby names and appoints Mitec Telecom Inc. ("**Mitec**") to act on its behalf to arrange for the shipment or transportation of Inventory (as such term is defined in that certain Bill and Hold agreement entered into by BIP and Mitec on July ____, 2006) and owned by BIP from Mitec's Pointe-Claire facility to destinations designated by BIP. While Mitec shall arrange to ship BIP's Inventory, it shall not bear any responsibility or be required to pay any indemnification towards BIP as a result of any misfortune or damage through the shipping or transport contracted by Mitec on BIP's behalf, its agents or its employees. Mitec shall not ship or transport any Inventory to any countries on Canada Post's restricted country list, as such list may be amended form time to time subsequently to the date hereof. Each request shall be made on an individual basis and shall expire after Mitec ships or transports the Inventory to the destination designated by BIP.

BIP also hereby authorizes Mitec to perform such acts in connection with the foregoing as it deems appropriate.

Signed in Pointe-Claire, Québec, this 25 day of July, ______.

BIP CORPORATION

Per: ______________________
Al Hatset
President and CEO

Agreed and accepted in Pointe Claire, Québec, this 26 day of July, 2006.

MITEC TELECOM INC.

Per: ______________________
Stefano Bazzocchi
Vice-President, Finance and CFO

No. 500-17-040674-080

SUPERIOR COURT
DISTRICT OF **MONTREAL**

MITEC TELECOM INC.,

Plaintiff

v.

BIP CORPORATION,

Defendant

-and-

EXPORT DEVELOPMENT CANADA,

Mise en cause

Me Anca Neacsu File : 606778-127

EXHIBIT P-2

FMC

FRASER MILNER CASGRAIN LLP

1, PLACE VILLE-MARIE • 39TH FLOOR
MONTRÉAL QC H3B 4M7
TELEPHONE: (514) 878-8800 • FAX: (514) 866-2241

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